



General Assembly

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Amendment

LCO No. 7438

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Offered by:

REP. O'ROURKE, 32nd Dist.
REP. SPALLONE, 36th Dist.
REP. MCCLUSKEY, 20th Dist.
REP. FLOREN, 149th Dist.
REP. DAVIS, 50th Dist.
REP. DONOVAN, 84th Dist.
REP. JANOWSKI, 56th Dist.
REP. FLEISCHMANN, 18th Dist.

REP. CARUSO, 126th Dist.
REP. REINOSO, 130th Dist.
REP. BARRY, 12th Dist.
REP. O'BRIEN, 24th Dist.
REP. OLSON, 46th Dist.
REP. LABRIOLA, 131st Dist.
REP. METZ, 101st Dist.

To: Subst. House Bill No. 6594

File No. 739

Cal. No. 341

"AN ACT CONCERNING MUNICIPAL ETHICS, MUNICIPAL WHISTLEBLOWER PROTECTIONS AND THE INVESTIGATION OF MUNICIPAL CORRUPTION, PROHIBITING PERSONS CONVICTED OF CERTAIN CRIMES FROM BEING CANDIDATES FOR OR HOLDING PUBLIC OFFICE AND EXPANDING THE PROHIBITION ON THE USE OF PUBLIC RESOURCES FOR CAMPAIGN PURPOSES."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective January 1, 2004*) As used in sections 1 to
4 16, inclusive, of this act, unless the context otherwise requires:

5 (1) "Administrative action" means any action or nonaction of any

6 agency of a municipality with respect to the proposal, drafting,
7 development, consideration, amendment, adoption or repeal of any
8 rule, regulation, ordinance, referendum, budget or utility rate, and any
9 action or nonaction of any agency, regarding a contract, grant, award,
10 purchasing agreement, loan, bond, certificate, license, permit or any
11 other matter which is within the official jurisdiction or cognizance of
12 such an agency.

13 (2) "Business organization" means a sole proprietorship,
14 corporation, limited liability company, association, firm or partnership,
15 other than a client lobbyist, which is owned by, or employs one or
16 more individual lobbyists.

17 (3) "Candidate for municipal office" means any person who has filed
18 a declaration of candidacy or a petition to appear on the ballot for
19 election as a municipal official, or who has raised or expended money
20 in furtherance of such candidacy, or who has been nominated for
21 appointment to serve as a municipal official.

22 (4) "Client lobbyist" means a lobbyist on behalf of whom lobbying
23 takes place and who makes expenditures for lobbying and in
24 furtherance of lobbying.

25 (5) "Commission" means the State Ethics Commission established
26 under section 1-80 of the general statutes.

27 (6) "Communicator lobbyist" means a lobbyist who communicates
28 directly or solicits others to communicate with an official or such
29 official's staff in a municipality for the purpose of influencing
30 legislative or administrative action.

31 (7) "Compensation" means any value received or to be received by a
32 person acting as a lobbyist, whether in the form of a fee, salary or
33 forbearance.

34 (8) "Expenditure" means any advance, conveyance, deposit,
35 distribution, transfer of funds, loan, payment, unless expressly

36 excluded; any payments for telephone, mailing, postage, printing and
37 other clerical or office services and materials; any paid
38 communications, costing fifty dollars or more in any calendar year,
39 disseminated by means of any printing, broadcasting or other
40 medium, provided such communications refer to pending
41 administrative or legislative action; any contract, agreement, promise
42 or other obligation; any solicitation or solicitations, costing fifty dollars
43 or more in the aggregate for any calendar year, of other persons to
44 communicate with a municipal official or municipal employee for the
45 purpose of influencing any legislative or administrative act and any
46 pledge, subscription of money or anything of value. "Expenditure"
47 shall not include the payment of a registrant's fee pursuant to section 6
48 of this act, any expenditure made by any club, committee, partnership,
49 organization, business, union, association or corporation for the
50 purpose of publishing a newsletter or other release to its members,
51 shareholders or employees, or contributions, membership dues or
52 other fees paid to associations, nonstock corporations or tax-exempt
53 organizations under Section 501(c) of the Internal Revenue Code of
54 1986, or any subsequent corresponding internal revenue code of the
55 United States, as from time to time amended.

56 (9) "Gift" means anything of value, which is directly and personally
57 received, unless consideration of equal or greater value is given in
58 return. "Gift" shall not include:

59 (A) A political contribution otherwise reported as required by law
60 or a donation or payment described in subdivision (9) or (10) of
61 subsection (b) of section 9-333b of the general statutes;

62 (B) Services provided by persons volunteering their time;

63 (C) A commercially reasonable loan made on terms not more
64 favorable than loans made in the ordinary course of business;

65 (D) A gift received from (i) the individual's spouse, fiance or fiancée,
66 (ii) the parent, brother or sister of such spouse or such individual, or
67 (iii) the child of such individual or the spouse of such child;

68 (E) Goods or services (i) which are provided to a municipality (I) for
69 use on municipal property, or (II) to support an event or the
70 participation by a municipal official or municipal employee at an
71 event, and (ii) which facilitate municipal action or functions. As used
72 in this subdivision, "municipal property" means property owned or
73 leased by the municipality;

74 (F) A certificate, plaque or other ceremonial award costing less than
75 one hundred dollars;

76 (G) A rebate, discount or promotional item available to the general
77 public;

78 (H) Printed or recorded informational material germane to
79 municipal action or functions;

80 (I) Food or beverage or both, costing less than fifty dollars in the
81 aggregate per recipient in a calendar year, and consumed on an
82 occasion or occasions at which the person paying, directly or
83 indirectly, for the food or beverage, or the person's representative, is in
84 attendance;

85 (J) A gift, including but not limited to, food or beverage or both,
86 provided by an individual for the celebration of a major life event;

87 (K) Gifts costing less than one hundred dollars in the aggregate or
88 food or beverage provided at a hospitality suite at a meeting or
89 conference of an interstate municipal association, by a person who is
90 not a registrant or is not doing business with the state of Connecticut;

91 (L) Admission to a charitable or civic event, including food and
92 beverage provided at such event, but excluding lodging or travel
93 expenses, at which a municipal official or municipal employee
94 participates in such official's or employee's official capacity, provided
95 such admission is provided by the primary sponsoring entity;

96 (M) Anything of value provided by an employer of (i) a municipal
97 official, (ii) a municipal employee, or (iii) a spouse of a municipal

98 official or municipal employee, to such official, employee or spouse,
99 provided such benefits are customarily and ordinarily provided to
100 others in similar circumstances; or

101 (N) Anything having a value of not more than ten dollars, provided
102 the aggregate value of all things provided by a donor to a recipient
103 under this subdivision in any calendar year shall not exceed fifty
104 dollars.

105 (10) "Immediate family" means any spouse, dependent children or
106 dependent relatives who reside in the individual's household.

107 (11) "Individual" means a natural person.

108 (12) "Legislative action" means introduction, sponsorship,
109 consideration, debate, amendment, passage, defeat, approval, veto,
110 overriding of a veto or any other official action or nonaction with
111 regard to any rule, regulation, ordinance, referendum, budget,
112 measure, resolution, amendment, nomination, appointment, report, or
113 any other matter pending or proposed in a legislative body of a
114 municipality, or any matter which is within the official jurisdiction or
115 cognizance of such legislative body.

116 (13) "Lobbying" means communicating directly or soliciting others
117 to communicate with any official or such official's staff in a
118 municipality, for the purpose of influencing any legislative or
119 administrative action except that the term "lobbying" does not include
120 (A) communications by or on behalf of a party to, or an intervenor in, a
121 contested case, as defined in regulations adopted by the commission in
122 accordance with the provisions of chapter 54 of the general statutes,
123 before a municipality, (B) communications by a representative of a
124 vendor or by an employee of the client lobbyist which representative
125 or employee acts as a salesperson and does not otherwise engage in
126 lobbying regarding any administrative action, (C) communications by
127 an attorney made while engaging in the practice of law and regarding
128 any matter other than legislative action or the proposal, drafting,
129 development, consideration, amendment, adoption or repeal of any

130 rule, regulation, ordinance, referendum or budget, or (D) other
131 communications exempted by regulations adopted by the commission
132 in accordance with the provisions of chapter 54 of the general statutes.

133 (14) "Lobbyist" means a person who in lobbying and in furtherance
134 of lobbying, with regard to a single municipality, makes or agrees to
135 make expenditures, or receives or agrees to receive compensation,
136 reimbursement, or both, and such compensation, reimbursement or
137 expenditures for a single municipality are two thousand dollars or
138 more in any calendar year or the combined amount thereof for a single
139 municipality is two thousand dollars or more in any such calendar
140 year. Lobbyist shall not include:

141 (A) A municipal official or municipal employee, or such official's or
142 employee's designee other than an independent contractor, who is
143 acting within the scope of such official's, employee's or designee's
144 authority or employment;

145 (B) A publisher, owner or an employee of the press, radio or
146 television while disseminating news or editorial comment to the
147 general public in the ordinary course of business;

148 (C) An individual representing such individual or another person
149 before the municipality other than for the purpose of influencing
150 legislative or administrative action;

151 (D) Any individual or employee who receives no compensation or
152 reimbursement specifically for lobbying and who limits such
153 individual's or employee's activities solely to formal appearances to
154 give testimony before public sessions of the legislative body of a
155 municipality and who, if such individual or employee testifies,
156 registers such individual's or employee's appearance in the records of
157 the legislative body;

158 (E) A member of an advisory board acting within the scope of such
159 member's appointment;

160 (F) Any person who receives no compensation or reimbursement
161 specifically for lobbying and who spends no more than five hours
162 lobbying or in furtherance of lobbying, unless such person, exclusive
163 of salary, receives compensation or makes expenditures, or both, of
164 two thousand dollars or more in any calendar year for lobbying or the
165 combined amount thereof is two thousand dollars or more in any such
166 calendar year;

167 (G) A communicator lobbyist who receives or agrees to receive
168 compensation, reimbursement, or both, the aggregate amount of which
169 is less than two thousand dollars from each client in any calendar year;

170 (H) A public official or state employee, as defined in section 1-79 of
171 the general statutes, other than an independent contractor, who is
172 acting within the scope of his or her authority or employment; or

173 (I) A senator or representative in Congress acting within the scope
174 of such senator's or representative's office.

175 (15) "Member of an advisory board" means any person appointed by
176 a municipal official as an advisor or consultant or member of a
177 committee, commission or council established to advise, recommend
178 or consult with a municipal official or a branch of municipal
179 government or a committee thereof and who receives no public funds
180 other than per diem payments or reimbursement for such person's
181 actual and necessary expenses incurred in the performance of such
182 person's official duties and who has no authority to expend any public
183 funds or to exercise the power of a municipality.

184 (16) "Municipal official" means any elected municipal officer or any
185 person appointed to any office of a municipality.

186 (17) "Municipal employee" means any employee of a municipality,
187 whether in the classified or unclassified service and whether full or
188 part-time.

189 (18) "Municipality" means any city, town, borough, municipal

190 corporation, municipal authority, school district, regional district,
191 metropolitan district or other district.

192 (19) "Person" means an individual, a business, corporation, limited
193 liability company, union, association, firm, partnership, committee,
194 club or other organization or group of persons.

195 (20) "Political contribution" has the same meaning as in section 9-
196 333b of the general statutes except that for purposes of sections 1 to 16,
197 inclusive, of this act, the provisions of subsection (b) of section 9-333b
198 of the general statutes shall not apply.

199 (21) "Registrant" means a person who is required to register
200 pursuant to section 5 of this act.

201 (22) "Reimbursement" means any money or thing of value received
202 or to be received in the form of payment for expenses as a lobbyist, not
203 including compensation.

204 Sec. 2. (NEW) (*Effective January 1, 2004*) The State Ethics Commission
205 shall:

206 (1) Adopt regulations in accordance with chapter 54 of the general
207 statutes to carry out the purposes of sections 1 to 16, inclusive, of this
208 act. The commission shall adopt regulations which further clarify the
209 meaning of the terms "directly and personally received" and "major life
210 event", as used in section 1 of this act;

211 (2) Compile and maintain an index of all reports and statements
212 filed with the commission under the provisions of sections 1 to 16,
213 inclusive, of this act and advisory opinions issued by the commission
214 with regard to the requirements of said sections, to facilitate public
215 access to such reports, statements and advisory opinions promptly
216 upon the filing or issuance thereof;

217 (3) Prepare quarterly and annual summaries of statements and
218 reports filed with the commission and advisory opinions issued by the
219 commission;

220 (4) Preserve advisory opinions permanently and preserve
221 memoranda filed under subsection (f) of section 4 of this act,
222 statements and reports filed by and with the commission for a period
223 of five years from the date of receipt;

224 (5) Upon the concurring vote of four of its members, issue advisory
225 opinions with regard to the requirements of this part, upon the request
226 of any person, subject to the provisions of sections 1 to 16, inclusive, of
227 this act, and publish such advisory opinions in the Connecticut Law
228 Journal. Advisory opinions rendered by the commission, until
229 amended or revoked, shall be binding on the commission and shall be
230 deemed to be final decisions of the commission for purposes of section
231 14 of this act. Any advisory opinion concerning any person subject to
232 the provisions of sections 1 to 16, inclusive, of this act who requested
233 the opinion and who acted in reliance thereon, in good faith, shall be
234 binding upon the commission, and it shall be an absolute defense in
235 any criminal action brought under the provisions of said sections that
236 the accused acted in reliance upon such advisory opinion;

237 (6) Report annually, prior to February fifteenth, to the Governor
238 summarizing the activities of the commission concerning sections 1 to
239 16, inclusive, of this act;

240 (7) Employ necessary staff within available appropriations to carry
241 out the purposes of sections 1 to 16, inclusive, of this act.

242 Sec. 3. (NEW) (*Effective January 1, 2004*) (a) (1) Upon the complaint of
243 any person on a form prescribed by the State Ethics Commission,
244 signed under penalty of false statement, or upon its own complaint,
245 the commission shall investigate any alleged violation of sections 1 to
246 16, inclusive, of this act. Not later than five days after the receipt or
247 issuance of such complaint, the commission shall provide notice of
248 such receipt or issuance and a copy of the complaint by registered or
249 certified mail to any respondent against whom such complaint is filed
250 and shall provide notice of the receipt of such complaint to the
251 complainant. When the commission undertakes an evaluation of a

252 possible violation of sections 1 to 16, inclusive, of this act prior to the
253 filing of a complaint by the commission, the subject of the evaluation
254 shall be notified within five business days after a commission staff
255 member's first contact with a third party concerning the matter.

256 (2) In the conduct of its investigation of an alleged violation of
257 sections 1 to 16, inclusive, of this act, the commission shall have the
258 power to hold hearings, administer oaths, examine witnesses, receive
259 oral and documentary evidence, subpoena witnesses under procedural
260 rules adopted by the commission as regulations in accordance with the
261 provisions of chapter 54 of the general statutes to compel attendance
262 before the commission and to require the production for examination
263 by the commission of any document or physical evidence that the
264 commission deems relevant in any matter under investigation or in
265 question. In the exercise of such powers, the commission may use the
266 services of the state police, who shall provide the same upon the
267 commission's request. The commission shall make a record of all
268 proceedings conducted pursuant to this subsection. Any witness
269 summoned before the commission shall receive the witness fee paid to
270 witnesses in the courts of this state. The respondent shall have the
271 right to appear and be heard and to offer any information which may
272 tend to clear the respondent of probable cause to believe that the
273 respondent has violated any provision of sections 1 to 16, inclusive, of
274 this act. The respondent shall also have the right to be represented by
275 legal counsel and to examine and cross-examine witnesses. Not later
276 than ten days prior to the commencement of any hearing conducted
277 pursuant to this subsection, the commission shall provide the
278 respondent with a list of its intended witnesses. The commission shall
279 make no finding that there is probable cause to believe the respondent
280 is in violation of sections 1 to 16, inclusive, of this act, except upon the
281 concurring vote of four of its members.

282 (b) If a preliminary investigation indicates that probable cause exists
283 for the violation of a provision of sections 1 to 16, inclusive, of this act,
284 the commission shall initiate hearings to determine whether there has
285 been a violation of said sections. A judge trial referee, who shall be

286 assigned by the Chief Court Administrator and who shall be
287 compensated in accordance with section 52-434 of the general statutes
288 out of funds available to the commission, shall preside over such
289 hearing and shall rule on all matters concerning the application of the
290 rules of evidence, which shall be the same as in judicial proceedings.
291 The trial referee shall have no vote in any decision of the commission.
292 All hearings of the commission held pursuant to this subsection shall
293 be open. At such hearing the commission shall have the same powers
294 as under subsection (a) of this section and the respondent shall have
295 the right to be represented by legal counsel, the right to compel
296 attendance of witnesses and the production of books, documents,
297 records and papers and to examine and cross-examine witnesses. Not
298 later than ten days prior to the commencement of any hearing
299 conducted pursuant to this subsection, the commission shall provide
300 the respondent with a list of its intended witnesses. The judge trial
301 referee shall, while engaged in the discharge of the judge trial referee's
302 duties as provided in this subsection, have the same authority as is
303 provided in section 51-35 of the general statutes over witnesses who
304 refuse to obey a subpoena or to testify with respect to any matter upon
305 which such witness may be lawfully interrogated, and may commit
306 any such witness for contempt for a period no longer than thirty days.
307 The commission shall make a record of all proceedings pursuant to
308 this subsection. The commission shall find no person in violation of
309 any provision of sections 1 to 16, inclusive, of this act except upon the
310 concurring vote of five of its members. Not later than fifteen days after
311 the public hearing conducted in accordance with this subsection, the
312 commission shall publish its finding and a memorandum of the
313 reasons for such finding. Such finding and memorandum shall be
314 deemed to be the final decision of the commission on the matter for the
315 purposes of chapter 54 of the general statutes. The respondent, if
316 aggrieved by the finding and memorandum, may appeal therefrom to
317 the Superior Court in accordance with the provisions of section 4-183
318 of the general statutes.

319 (c) If any complaint brought under the provisions of sections 1 to 16,

320 inclusive, of this act is made with the knowledge that it is made
321 without foundation in fact, the respondent shall have a cause of action
322 against the complainant for double the amount of damage caused
323 thereby and if the respondent prevails in such action, the respondent
324 may be awarded by the court the costs of such action together with
325 reasonable attorneys' fees.

326 (d) No complaint may be made under this section except within
327 three years next after the violation alleged in the complaint has been
328 committed.

329 (e) No person shall take or threaten to take official action against an
330 individual for such individual's disclosure of information to the
331 commission under the provisions of sections 1 to 16, inclusive, of this
332 act. After receipt of information from an individual under the
333 provisions of sections 1 to 16, inclusive, of this act, the commission
334 shall not disclose the identity of such individual without the
335 individual's consent unless the commission determines that such
336 disclosure is unavoidable during the course of an investigation.

337 Sec. 4. (NEW) (*Effective January 1, 2004*) (a) Unless the State Ethics
338 Commission makes a finding of probable cause, a complaint alleging a
339 violation of sections 1 to 16, inclusive, of this act shall be confidential
340 except upon the request of the respondent. A commission evaluation
341 of a possible violation of said sections undertaken prior to a complaint
342 being filed by the commission shall be confidential except upon the
343 request of the subject of the evaluation. If the evaluation is
344 confidential, no information supplied to or received from the
345 commission shall be disclosed to any third party by a subject of the
346 evaluation, a person contacted for the purpose of obtaining
347 information or by a commission or staff member. No provision of this
348 subsection shall prevent the commission from reporting the possible
349 commission of a crime to the Chief State's Attorney or other
350 prosecutorial authority.

351 (b) An investigation conducted prior to a probable cause finding

352 shall be confidential except upon the request of the respondent. If the
353 investigation is confidential, the allegations in the complaint and any
354 information supplied to or received from the commission shall not be
355 disclosed during the investigation to any third party by a complainant,
356 respondent, witness, designated party, or commission or staff member.

357 (c) Not later than three business days after the termination of the
358 investigation, the commission shall inform the complainant and the
359 respondent of its finding and provide them a summary of its reasons
360 for making that finding. The commission shall publish its finding upon
361 the respondent's request and may also publish a summary of its
362 reasons for making such finding.

363 (d) If the commission makes a finding of no probable cause, the
364 complaint and the record of its investigation shall remain confidential,
365 except upon the request of the respondent and except that some or all
366 of the record may be used in subsequent proceedings. No complainant,
367 respondent, witness, designated party, or commission or staff member
368 shall disclose to any third party any information learned from the
369 investigation, including knowledge of the existence of a complaint,
370 which the disclosing party would not otherwise have known. If such a
371 disclosure is made, the commission may, after consultation with the
372 respondent if the respondent is not the source of the disclosure,
373 publish its finding and a summary of its reasons therefor.

374 (e) The commission shall make public a finding of probable cause
375 not later than five business days after the termination of the
376 investigation. At such time the entire record of the investigation shall
377 become public, except that the commission may postpone examination
378 or release of such public records for a period not to exceed fourteen
379 days for the purpose of reaching a stipulation agreement pursuant to
380 subsection (c) of section 4-177 of the general statutes.

381 Sec. 5. (NEW) (*Effective January 1, 2004*) (a) A lobbyist shall register
382 with the State Ethics Commission pursuant to section 6 of this act for
383 lobbying a municipality if the lobbyist:

384 (1) Receives or agrees to receive compensation or reimbursement for
385 actual expenses, or both, in a combined amount of two thousand
386 dollars or more in a calendar year for lobbying said municipality,
387 whether that receipt of compensation or reimbursement or agreement
388 to receive such compensation or reimbursement is solely for lobbying
389 or the lobbying is incidental to that person's regular employment; or

390 (2) Makes or incurs an obligation to make expenditures of two
391 thousand dollars or more in a calendar year for lobbying said
392 municipality.

393 (b) A lobbyist shall register separately with the commission for each
394 municipality for which the lobbyist meets the threshold requirement
395 for registering under subsection (a) of this section.

396 (c) A person who is a lobbyist pursuant to part II of chapter 10 of the
397 general statutes and is required to register with the commission
398 pursuant to section 1-94 of the general statutes shall register separately
399 with the commission for each municipality for which the lobbyist
400 meets the threshold requirement for registering under subsection (a) of
401 this section.

402 Sec. 6. (NEW) (*Effective January 1, 2004*) (a) Each registrant shall file
403 annually with the State Ethics Commission on a separate registration
404 form for each municipality for which the registrant meets the threshold
405 requirement for registering under subsection (a) of section 5 of this act.
406 The registrant shall sign each such form under penalty of false
407 statement and file such forms with the commission on or before
408 January fifteenth or prior to the commencement of lobbying,
409 whichever is later. If the registrant is not an individual, an authorized
410 officer or agent of the registrant shall sign each form. Such registration
411 or registrations shall be on a form prescribed by the commission and
412 shall include:

413 (1) If the registrant is an individual, the registrant's name,
414 permanent address and temporary address while lobbying and the
415 name, address and nature of business of any person who compensates

416 or reimburses, or agrees to compensate or reimburse the registrant and
417 the terms of the compensation, reimbursement or agreement, but shall
418 not include the compensation paid to an employee for the employee's
419 involvement in activities other than lobbying;

420 (2) If the registrant is a corporation, the name, address, place of
421 incorporation and the principal place of business of the corporation;

422 (3) If the registrant is an association, group of persons or an
423 organization, the name and address of the principal officers and
424 directors of such association, group of persons or organization. If the
425 registrant is formed primarily for the purpose of lobbying, it shall
426 disclose the name and address of any person contributing two
427 thousand dollars or more to the registrant's lobbying activities in any
428 calendar year;

429 (4) If the registrant is not an individual, the name and address of
430 each individual who will lobby on the registrant's behalf; and

431 (5) The name of the municipality that the registrant is lobbying and
432 the identification, with reasonable particularity, of areas of legislative
433 action or administrative action on which the registrant expects to
434 lobby.

435 (b) Each registrant shall pay a reasonable fee not in excess of the cost
436 of administering each registration form provided for in subsection (a)
437 of this section plus the cost of collecting, filing, copying and
438 distributing the information filed by registrants under section 7 of this
439 act, but not less than twenty-five dollars.

440 (c) Each registrant shall file a notice of termination within thirty
441 days after the registrant ceases the activity that required registration,
442 provided the registrant does not intend to resume the activity during
443 the annual period for which the registrant is registered. The
444 termination of a registration shall not relieve the registrant of the
445 reporting requirements of section 7 of this act for the period preceding
446 the date that the registrant's notice of termination is received by the

447 commission or for the period commencing on such date and ending on
448 December thirty-first of the year in which termination occurs.

449 Sec. 7. (NEW) (*Effective January 1, 2004*) (a) Each client lobbyist
450 registrant shall file with the State Ethics Commission between the first
451 and tenth day of April, July, October and January a financial report,
452 signed under penalty of false statement. Each report shall cover its
453 lobbying activities during the previous calendar quarter. If the client
454 lobbyist registrant is not an individual, an authorized officer or agent
455 of the client lobbyist registrant shall sign the form.

456 (b) Each individual communicator lobbyist registrant and each
457 business organization communicator lobbyist registrant shall file with
458 the commission between the first and tenth day of January a report or
459 reports, signed under penalty of false statement, reporting the
460 amounts of compensation and reimbursement received from each of
461 the registrant's clients during the previous year. In addition, each
462 individual communicator lobbyist registrant and each business
463 organization communicator lobbyist registrant shall: (1) Report the
464 fundamental terms of contracts, agreements or promises to pay or
465 receive compensation or reimbursement or to make expenditures in
466 furtherance of lobbying, including the categories of work to be
467 performed and the dollar value or compensation rate of the contract, at
468 the time of registration; (2) report, in accordance with the schedule set
469 forth in subsection (a) of this section, any amendments to these
470 fundamental terms, including any agreements to subcontract lobbying
471 work; and (3) report, in accordance with the schedule set forth in
472 subsection (a) of this section, any expenditures for the benefit of a
473 municipal official or a member of the staff or immediate family of the
474 municipal official that are unreimbursed and required to be itemized.
475 Such report shall not include the disclosure of food and beverage
476 provided by a communicator lobbyist registrant to a municipal official
477 or a member of the municipal official's staff or immediate family at a
478 major life event, as defined by the commission, of the registrant. All
479 such information shall be reported under penalty of false statement.

480 (c) An individual communicator lobbyist registrant shall file a
481 separate report for each person from whom the registrant received
482 compensation or reimbursement. Notwithstanding any provision of
483 this subsection to the contrary, a business organization to which one or
484 more individual communicator lobbyist registrants belongs may file a
485 single report for each client lobbyist in lieu of any separate reports that
486 individual registrants are required to file pursuant to this subsection.

487 (d) Each registrant who files a notice of termination under
488 subsection (c) of section 6 of this act shall file with the commission a
489 financial report, under penalty of false statement, between the first and
490 tenth day of January of the year following termination.

491 (e) Each client lobbyist registrant financial report shall be on a form
492 prescribed by the commission and shall state expenditures made and
493 the fundamental terms of contracts, agreements or promises to pay
494 compensation or reimbursement or to make expenditures in
495 furtherance of lobbying. Any such fundamental terms shall be
496 reported once in the quarterly or post-termination report next
497 following the entering into of such contract. Such financial report shall
498 include an itemized statement of each expenditure of ten dollars or
499 more per person for each occasion made by the reporting registrant or
500 a group of registrants that includes the reporting registrant for the
501 benefit of a municipal official or a member of the municipal official's
502 staff or immediate family, itemized by date, beneficiary, amount and
503 circumstances of the transaction. The requirement of an itemized
504 statement shall not apply to an expenditure made by a reporting
505 registrant or a group of registrants which includes the reporting
506 registrant for benefits personally and directly received by a municipal
507 official or municipal employee at a charitable or civic event at which
508 the municipal official or municipal employee participates in such
509 official's or employee's official capacity, unless the expenditure is thirty
510 dollars or more per person, per event. If the compensation is required
511 to be reported for an individual whose lobbying is incidental to such
512 individual's regular employment, it shall be sufficient to report a
513 prorated amount based on the value of the time devoted to lobbying.

514 On the first financial report following registration each client lobbyist
515 registrant shall include any expenditures incident to lobbying activities
516 that were received or expended prior to registration and not
517 previously reported to the commission.

518 (f) The commission shall, by regulations adopted in accordance with
519 chapter 54 of the general statutes, establish minimum amounts for each
520 item required to be reported, below which reporting may be made in
521 the aggregate. The provisions of this subsection shall not apply to
522 expenditures made for the benefit of a municipal official or a member
523 of such person's staff or immediate family.

524 (g) Each former registrant shall (1) report receipts or expenditures
525 incident to lobbying activities during the former registrant's period of
526 registration that are received or expended following termination of
527 registration, and (2) report each expenditure of ten dollars or more per
528 person for each occasion made by the former registrant for the benefit
529 of a municipal official or a member of such official's immediate family
530 or staff that occurs within six months after termination of registration.

531 (h) The commission shall, within thirty days after receipt of a
532 financial report that contains the name of a municipal official or a
533 member of such official's staff or immediate family, send a written
534 notice to such official, of the filing of the report and the name of the
535 person who filed it.

536 Sec. 8. (NEW) (*Effective January 1, 2004*) (a) Each registrant shall
537 obtain and preserve all accounts, bills, receipts and other documents
538 necessary to substantiate the financial reports required by section 7 of
539 this act for a period of three years from the date of the filing of the
540 report referring to such financial matters, provided this section shall
541 apply to each expenditure for the benefit of a municipal official of ten
542 dollars or more and all other expenditures of fifty dollars or more.

543 (b) The State Ethics Commission may require, on a random basis,
544 any registrant to make all such documents substantiating financial
545 reports concerning lobbying activities available for inspection and

546 copying by the commission for the purpose of verifying such financial
547 reports, provided no registrant shall be subject to such requirement
548 more than one time during any three consecutive years. The
549 commission shall select registrants to be audited by lot in a ceremony
550 which shall be open to the public. Nothing in this subsection shall
551 require a registrant to make any documents concerning nonlobbying
552 activities available to the commission for inspection and copying.

553 Sec. 9. (NEW) (*Effective January 1, 2004*) Each registrant required to
554 file any financial reports under section 7 of this act shall do so in
555 electronic form using the electronic filing program developed by the
556 State Ethics Commission.

557 Sec. 10. (NEW) (*Effective January 1, 2004*) The State Ethics
558 Commission shall make all computerized data from financial reports
559 required by section 7 of this act available to the public through (1) a
560 computer terminal in the office of the commission, and (2) the Internet
561 or any other generally available on-line computer network.

562 Sec. 11. (NEW) (*Effective January 1, 2004*) Each registrant who pays
563 or reimburses a municipal official or municipal employee ten dollars
564 or more for necessary expenses shall, within thirty days, file a
565 statement with the commission indicating the name of such individual
566 and the amount of the expenses. As used in this section, "necessary
567 expenses" means a municipal official's or municipal employee's
568 expenses for an article, appearance or speech or for participation at an
569 event, in such official's or employee's official capacity, which shall be
570 limited to necessary travel expenses, lodging for the nights before, of
571 and after the appearance, speech or event, meals and any related
572 conference or seminar registration fees.

573 Sec. 12. (NEW) (*Effective January 1, 2004*) (a) No registrant or anyone
574 acting on behalf of a registrant shall knowingly give a gift to any
575 municipal official, municipal employee, candidate for municipal office
576 or a member of any such person's staff or immediate family. Nothing
577 in this section shall be construed to permit any activity prohibited

578 under section 53a-147 or 53a-148 of the general statutes.

579 (b) No person or business organization shall be employed to lobby
580 for compensation which is contingent upon the outcome of any
581 administrative or legislative action. No person shall employ a lobbyist
582 or business organization for compensation that is contingent upon the
583 outcome of any administrative or legislative action.

584 (c) No lobbyist may: (1) Do anything with the purpose of placing
585 any municipal official under personal obligation; (2) attempt to
586 influence any legislative action or administrative action for the
587 purpose of thereafter being employed to secure its defeat; (3) cause any
588 communication to be sent to any municipal official in the name of any
589 other individual except with the consent of such individual.

590 (d) Any person who gives to a municipal official, municipal
591 employee or candidate for municipal office, or a member of any such
592 person's staff or immediate family anything of value which is subject
593 to the reporting requirements pursuant to subsection (e) of section 7 of
594 this act shall, not later than ten days thereafter, give such recipient a
595 written report stating the name of the donor, a description of the item
596 or items given, the value of such items and the cumulative value of all
597 items given to such recipient during that calendar year. The provisions
598 of this subsection shall not apply to a political contribution otherwise
599 reported as required by law.

600 Sec. 13. (NEW) (*Effective January 1, 2004*) Any person aggrieved by
601 any final decision of the State Ethics Commission, made pursuant to
602 sections 1 to 16, inclusive, of this act, may appeal such decision in
603 accordance with the provisions of section 4-175 or 4-183 of the general
604 statutes.

605 Sec. 14. (NEW) (*Effective January 1, 2004*) (a) The State Ethics
606 Commission, upon a finding made pursuant to section 3 of this act that
607 there has been a violation of any provision of sections 1 to 16,
608 inclusive, of this act, shall have the authority to order the violator to do
609 any or all of the following: (1) Cease and desist the violation of said

610 sections; (2) file any report, statement or other information as required
611 by said sections; or (3) pay a civil penalty of not more than two
612 thousand dollars for each violation of said sections. The commission
613 may prohibit any person who intentionally violates any provision of
614 said sections from engaging in the profession of lobbyist for a period of
615 not more than two years. In addition to such provisions, the
616 commission may impose a civil penalty on any person who violates
617 subsection (b) of section 12 of this act by receiving, agreeing to receive,
618 paying, or agreeing to pay, compensation that is contingent upon the
619 outcome of any administrative or legislative action or by terminating a
620 lobbying contract as the result of the outcome of an administrative
621 action or legislative action. The civil penalty shall not exceed the total
622 amount of compensation that the person was required to pay or be
623 paid under the contingent compensation agreement. No person may
624 benefit from an agreement that violates subsection (b) of section 12 of
625 this act.

626 (b) Notwithstanding the provisions of subsection (a) of this section,
627 the commission may, after a hearing conducted in accordance with
628 sections 4-176e to 4-184, inclusive, of the general statutes upon the
629 concurring vote of five of its members, impose a civil penalty not to
630 exceed ten dollars per day upon any registrant who fails to file any
631 report, statement or other information as required by sections 1 to 16,
632 inclusive, of this act. Each distinct violation of this subsection shall be a
633 separate offense and, in case of a continued violation, each day thereof
634 shall be deemed a separate offense. In no event shall the aggregate
635 penalty imposed for such failure to file exceed two thousand dollars.

636 (c) The commission may also report its finding to the Chief State's
637 Attorney for any action deemed necessary.

638 Sec. 15. (NEW) (*Effective January 1, 2004*) Any person who
639 intentionally violates any provision of sections 1 to 16, inclusive, of this
640 act shall be imprisoned for a term not to exceed one year or shall be
641 fined an amount not to exceed two thousand dollars, or both.

642 Sec. 16. (NEW) (*Effective January 1, 2004*) Each individual who is a
 643 lobbyist shall, while engaged in lobbying, wear a distinguishing badge
 644 which shall identify the individual as a lobbyist. The size, color,
 645 material and other requirements of such badge shall be prescribed by
 646 regulation of the State Ethics Commission."

This act shall take effect as follows:	
Section 1	<i>January 1, 2004</i>
Sec. 2	<i>January 1, 2004</i>
Sec. 3	<i>January 1, 2004</i>
Sec. 4	<i>January 1, 2004</i>
Sec. 5	<i>January 1, 2004</i>
Sec. 6	<i>January 1, 2004</i>
Sec. 7	<i>January 1, 2004</i>
Sec. 8	<i>January 1, 2004</i>
Sec. 9	<i>January 1, 2004</i>
Sec. 10	<i>January 1, 2004</i>
Sec. 11	<i>January 1, 2004</i>
Sec. 12	<i>January 1, 2004</i>
Sec. 13	<i>January 1, 2004</i>
Sec. 14	<i>January 1, 2004</i>
Sec. 15	<i>January 1, 2004</i>
Sec. 16	<i>January 1, 2004</i>